



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Yvonne B. Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

William Loos, MD
Acting Senior Medical Officer

November 21, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AGREEMENT AMENDMENTS FOR PROPOSITION A DIETARY
SERVICES AT FOUR FACILITIES AND A NON-PROPOSITION A
AMENDMENT FOR PUBLIC CAFETERIA SERVICES AT
HARBOR-UCLA MEDICAL CENTER**

(2nd, 4th and 5th Districts) (3 Votes for Dietary Services)
(4 votes for Public Cafeteria Services)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor to sign the attached Proposition A (Prop A) Amendment No. 6 to Agreement No. 70295 (Exhibit I) with Morrison Management Specialists, Inc., dba Morrison Health Care, Inc. (Morrison) for the continued provision of dietary services at Harbor-UCLA Medical Center (H-UCLA) on a month-to-month basis, effective December 1, 2006 through March 31, 2007, at an estimated monthly cost of \$362,861.50, for a total cost of \$1,451,446. (3 Votes)
2. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 6 to Agreement No. 70294 (Exhibit II) with Morrison for the continued provision of dietary services at Martin Luther King, Jr./Drew Medical Center (King/Drew) on a month-to-month basis, effective December 1, 2006 through March 31, 2007, at an estimated monthly cost of \$346,915.25, for a total cost of \$1,387,661. (3 Votes)
3. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 7 to Agreement No. 70694 (Exhibit III) with Morrison for the continued provision of dietary and public cafeteria services at Olive View/UCLA Medical Center (OV-UCLA) on a month-to-month basis, effective December 1, 2006 through March 31, 2007, at an estimated monthly cost of \$294,842.25, for a total cost of \$1,179,369. (4 Votes)
4. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 7 to Agreement No. 68444 (Exhibit IV) with Sodexo, LLC (Sodexo) for the continued provision of dietary and public

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

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cafeteria services at Rancho Los Amigos National Rehabilitation Center (Rancho) on a month-to month basis, effective December 1, 2006 through March 31, 2007, at an estimated monthly cost of \$336,257.50, for a total cost of \$1,345,030. (4 Votes)

5. Approve and instruct the Director of Health Services to sign the attached Non-Proposition A Amendment No. 7 to Agreement H-211094 (Exhibit V) with Morrison, for the continued provision of public cafeteria services at H-UCLA, on a month-to-month basis effective December 1, 2006 through March 31, 2007. (4 Votes)

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Approval of the recommended actions will allow for the continued provision of dietary and concession cafeteria services at H-UCLA, King/Drew (dietary only), OV-UCLA, and Rancho. The extended terms will allow the Department of Health Services (Department) the time necessary to assess the system-wide impact of the restructuring plans related to the new MetroCare plan on the proposed dietary and cafeteria contracts and complete the complex contract negotiation and development process.

The Department has been contracting out Dietary Services under provisions of County Code 2.121.250 et seq., "Contracting with Private Businesses" (Proposition A), since October 1984. Dietary services are an integral part of the legitimate activities which must be provided by a hospital to perform its health care functions.

Concession cafeteria services are contracted under the authority of Government Code Section 25536.

FISCAL IMPACT/FINANCING:

The maximum County obligation for the extended terms effective December 1, 2006 through March 31, 2007 is as follows: \$1,451,446 for H-UCLA, \$1,387,661 at King/Drew, \$1,179,369 at OV-UCLA and \$1,345,030 at Rancho for a total estimated cost from December 1, 2006 through March 31, 2007 of \$5,363,506.

Funding is included in the Fiscal Year 2006-07 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

H-UCLA AND KING/DREW

On September 3, 1996, the Board approved Agreements with Morrison to provide dietary services at King/Drew and H-UCLA effective September 1, 1996 through February 29, 2004. Subsequently, the Board approved additional Amendments to extend the term. Most recently, on May 2, 2006, the Board approved an extension through November 30, 2006.

OV-UCLA

On May 13, 1997, the Board approved an Agreement with Morrison to provide dietary and public cafeteria services at OV-UCLA, effective June 1, 1997 through November 30, 2002. Subsequently, the Board approved additional Amendments to extend the term. Most recently, on May 2, 2006, the Board approved an extension through November 30, 2006.

RANCHO

On July 18, 1995, the Board approved an Agreement with Sodexho to provide dietary and public cafeteria services at Rancho, effective August 1, 1995 through January 31, 2003. Subsequently, the Board approved additional Amendments to extend the term. Most recently, on May 2, 2006, the Board approved an extension through November 30, 2006.

Concession Cafeteria Services at H-UCLA

On May 9, 2000, the Board approved a revenue concession Agreement with Morrison Management Specialists, Inc., for the provision of public cafeteria concession services at H-UCLA through February 29, 2004. Subsequently, the Board approved additional Amendments to extend the term. Most recently, on May 2, 2006, the Board approved an extension through November 30, 2006.

Contract monitoring functions are performed by administrative staff at each facility.

County Counsel has approved these Amendments as to form.

CONTRACTING PROCESS:

The Department released a Request for Proposals (RFP) for dietary services and public cafeteria concession services on February 23, 2005 for H-UCLA, King/Drew (dietary only), OV-UCLA and Rancho. The extended terms will allow the Department the time necessary to assess the impact of the system restructuring plans on the proposed dietary and cafeteria contracts and complete the complex contract negotiation and development process.

The proposers submitting bids in response to this RFP were Morrison, Sodexho, and Integrated Support Solutions, Inc. (ISSI). ISSI submitted proposals for OV-UCLA and Rancho. Morrison and Sodexho submitted bids for all four facilities. Morrison received the highest overall score for the four facilities.

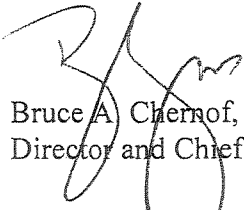
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval will allow for the continued provision of dietary and concession cafeteria services at the facilities.

The Honorable Board of Supervisors
November 21, 2006
Page 4

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'B. Chernof', is written over the printed name and title.

Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:amb
DIETBLEXTENSION.amb.wpd

Attachments (6)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. TYPE OF SERVICES:

Dietary and Concession Cafeteria Services at H-UCLA, King/Drew (dietary only), OV-UCLA and Rancho.

2. AGENCY ADDRESS AND CONTACT PERSON:

A. Morrison Management Specialists, Inc. dba Morrison Health Care, Inc. 1727 Axenty Way Redondo Beach, CA 90278 Attention: Edward M. Clark Telephone: (310) 798-4017	B. Sodexo Operations, LLC 3033 5 th Avenue, Suite 335 San Diego, CA 92103 Attention: Calvin Johnson Telephone: (619) 296-6433
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3. TERM:

The term of the Agreements is being extended on a month-to-month basis effective December 1, 2006 through March 31, 2007.

4. FINANCIAL INFORMATION:

The maximum County obligation for the extended terms is as follows: \$1,451,446 for H-UCLA, \$1,387,661 at King/Drew, \$1,179,369 at OV-UCLA and \$1,345,030 at Rancho for a total estimated cost from December 1, 2006 through March 31, 2007 of \$5,363,506

Funding is included in the Fiscal Year 2006-07 Final Budget and will be requested in future fiscal years.

5. PERSON ACCOUNTABLE FOR PROGRAM MONITORING:

Administration at each facility.

6. GEOGRAPHIC AREA SERVED:

2nd, 4th and 5th Districts.

7. APPROVALS:

Chief Networks Deputy: John R. Cochran, III

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Elizabeth J. Friedman, Senior Deputy County Counsel

EXHIBIT I

Contract No. 70295

DIETARY SERVICES AGREEMENT
HARBOR-UCLA MEDICAL CENTER

AMENDMENT NO. 6

THIS AMENDMENT is made and entered into this _____ day
of _____, 2006,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MORRISON MANAGEMENT
SPECIALISTS, INC., dba
MORRISON HEALTH CARE, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"DIETARY SERVICES AGREEMENT", dated September 3, 1996, and
further identified as County Agreement No. 70295, and extension
letter dated August 20, 2003, and any Amendments thereto (all
hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement
to extend its term and to make the changes described hereinafter;
and

WHEREAS, Agreement provides that changes may be made in the
form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective December 1, 2006.
2. The term of this Agreement is hereby extended on a month-

to-month basis at County's sole discretion through March 31, 2007.

3. Schedule 6 shall be replaced with Schedule 7, attached hereto and incorporated in Agreement by reference.

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Mayor and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:

MORRISON MANAGEMENT SPECIALISTS,
INC., dba MORRISON HEALTH CARE,
INC.

Executive Officer of the
Board of Supervisors of the
County of Los Angeles

Contractor
By Edward J. Clark
Title RUP

By: _____
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:

By: [Signature]
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By: Cara O'Neill
Cara O'Neill, Chief
Contracts and Grants Division

AMENDCDharbor6.AMB
10/20/06

SCHEDULE 7**Harbor-UCLA Medical Center
December 1, 2006 to March 31, 2007****To deliver 47,001 - 52,000 meals per calendar month**

Labor Costs	\$	862,199
Raw Food Costs	\$	313,915
Materials, services and supplies	\$	97,980
Equipment Costs	\$	14,829
Utilities	\$	333
Management Fee and Administrative Costs	\$	66,881
Sales Tax Liability	\$	40,220
A. Contractor's Extension Budget	\$	1,396,358
B. Special Function Meals	\$	21,667
C. Incidental Supplies	\$	5,200
D. Tube Feedings	\$	24,000
E. Linen	\$	4,222
F. Contractor's Total Extension Budget	\$	1,451,446
Basic Monthly Charge	\$	349,089

EXHIBIT II

Contract No. 70294

DIETARY SERVICES AGREEMENT
KING/DREW MEDICAL CENTER

AMENDMENT NO. 6

THIS AMENDMENT is made and entered into this _____ day
of _____, 2006,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MORRISON MANAGEMENT
SPECIALISTS, INC., dba
MORRISON HEALTH CARE, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"DIETARY SERVICES AGREEMENT", dated September 3, 1996, and
further identified as County Agreement No. 70294, and extension
letter dated August 20, 2003, and any Amendments thereto (all
hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement
to extend its term and to make the changes described hereinafter;
and

WHEREAS, Agreement provides that changes may be made in the
form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective December 1, 2006.

2. The term of this Agreement is hereby extended on a month-to-month basis at County's sole discretion through March 31, 2007.

3. Schedule 6 shall be replaced with Schedule 7, attached hereto and incorporated in Agreement by reference.

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Mayor and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

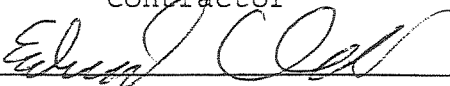
COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:

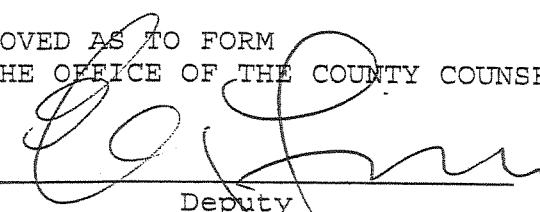
MORRISON MANAGEMENT SPECIALISTS,
INC., dba MORRISON HEALTH CARE,
INC.

Executive Officer of the
Board of Supervisors of the
County of Los Angeles

Contractor
By 
Title RVP


By: _____
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:

By: 
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By: 
Cara O'Neill, Chief
Contracts and Grants Division

AMENDCDking6.AMB
10/20/06

SCHEDULE 7

**Martin Luther King/Drew Medical Center
December 1, 2006 to March 31, 2007**

To deliver 39,001 - 45,000 meals per calendar month

Labor Costs	\$ 826,225
Raw Food Costs	\$ 284,374
Materials, services and supplies	\$ 78,874
Equipment Costs	\$ 5,180
Utilities	\$ 1,292
Management fee and administrative costs	\$ 110,681
Sales Tax Liability	\$ 33,358
A. Contractor's Extension Budget	\$ 1,339,983
B. Special Function Meals	\$ 28,000
C. Incidental Supplies	\$ 1,789
D. Tube Feedings	\$ 17,889
E. Contractor's Total Extension Budget	\$ 1,387,661
Basic Monthly Charge	\$334,996

AGREEMENT FOR DIETARY SERVICES
OLIVE VIEW/UCLA MEDICAL CENTER

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into this _____ day
of _____, 2006,

by and between the

COUNTY OF LOS ANGELES
(hereafter "County")

and

MORRISON MANAGEMENT
SPECIALISTS INC., dba
MORRISON HEALTH CARE, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"AGREEMENT FOR DIETARY SERVICES AT OLIVE VIEW/UCLA MEDICAL
CENTER", dated May 13, 1997, and further identified as County
Agreement No. 70694, an extension letter dated February 21, 2002,
and any Amendments thereto (all hereafter referred to as
"Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement
to extend its term and to make the changes described hereinafter;
and

WHEREAS, said Agreement provides that changes may be made in
the form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective on December 1, 2006.

2. The term of this Agreement is hereby extended on a month-to-month basis at County's sole discretion through March 31, 2007.

3. Exhibit B-5 shall be replaced with Exhibit B-6, attached to this Amendment and incorporated in Agreement by reference.

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Mayor and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:

Executive Officer of the Board of
Supervisors of the County of
Los Angeles

MORRISON MANAGEMENT SPECIALISTS,
INC., dba MORRISON HEALTH CARE,
INC.

Contractor

By Edmund J. [Signature]

Title RUP

By: _____
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:

By: [Signature]
Senior Deputy County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By: Cara O'Neill
Cara O'Neill, Chief
Contracts and Grants Division

amb:10/20/06
AMENDCDOV7.amb

EXHIBIT B-6

Olive View-UCLA Medical Center December 1, 2006 to March 31, 2007

To deliver 24,000 - 30,000 meals per calendar month:

Labor Costs	\$	699,578
Raw Food Costs	\$	335,826
Materials, services and supplies	\$	76,237
Equipment Costs	\$	7,949
Utilities	\$	347
Maintenance	\$	4,123
Management Fee and Administrative Costs	\$	32,239
Sales Tax Liability	\$	9,737
A. Contractor's Extension Budget	\$	1,166,036
B. Special Function Meals	\$	8,333
C. Incidental Food and Supplies	\$	2,667
D. Patient Tube Feeding Products	\$	2,333
E. Contractor's Total Extension Budget	\$	1,179,369
Basic Monthly Charge	\$	291,509

AGREEMENT FOR DIETARY SERVICES
AT RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into to this _____ day
of _____, 2006,

by and between the COUNTY OF LOS ANGELES
(hereafter "County"),
and SODEXHO OPERATIONS, LLC
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"AGREEMENT FOR DIETARY SERVICES AT RANCHO LOS AMIGOS MEDICAL
CENTER", dated July 18, 1995, and further identified as County
Agreement No. 68444, extension letter dated February 21, 2002,
and any Amendments thereto (all hereafter referred to as
"Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend
the Agreement to extend its term and to make the changes described
hereinafter; and

WHEREAS, said Agreement provides that changes may be made in
the form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective December 1, 2006.

2. The term of this Agreement is hereby extended on a month-to-month basis at County's sole discretion through March 31, 2007.

3. Schedule 7 shall be replaced with Schedule 8, attached hereto as reference.

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Mayor and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:

Executive Officer of the
Board of Supervisors of the
County of Los Angeles

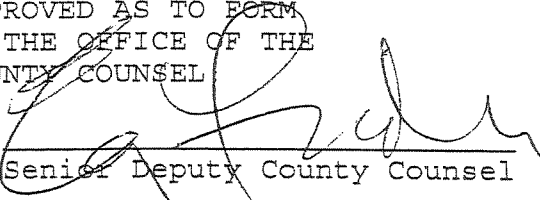
SODEXHO OPERATIONS, LLC
Contractor

By 

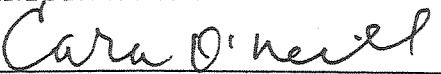
Title: EXECUTIVE VICE PRESIDENT

By _____
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL

By 
Senior Deputy County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

By 
Cara O'Neill, Chief
Contracts and Grants Division

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amb.10/20/06

SCHEDULE 8

CONTRACTOR'S BUDGET AND COUNTY'S CHARGE SCHEDULE

Contractor's Four-Month Budget (December 1, 2006 through March 31, 2007) to Deliver 38,001 – 44,000
Meals Per Calendar Month

Labor Costs	\$	663,363
Raw Food Costs	\$	407,689
Materials; Services and Supplies	\$	73,938
Equipment Costs	\$	29,652
Other Expenses	\$	87,748
Equipment Maintenance and Repair Costs	\$	6,367
Sales Tax Liability	\$	2,336

A. Contractors Four Month Budget (December 1, 2006 – March 31, 2007):	\$ 1,271,094
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B. Special Function Meals	\$ 31,488
Incidental Supplies	\$ 36,600
Tube Feedings	\$ 5,848
Total Four-Month Budget Extension	\$ 1,345,030

EXHIBIT V

Contract No. H-211094

PUBLIC CAFETERIA CONCESSION SERVICES
AGREEMENT AT HARBOR-UCLA MEDICAL CENTER

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into this _____ day
of _____, 2006,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MORRISON MANAGEMENT
SPECIALISTS, INC., dba
MORRISON HEALTH CARE, INC.
(hereafter "Concessionaire").

WHEREAS, reference is made to that certain document entitled
"PUBLIC CAFETERIA CONCESSION SERVICES AGREEMENT AT HARBOR-UCLA
MEDICAL CENTER", dated May 9, 2000, and further identified as
County Agreement No. H-211094, and any Amendments thereto (all
hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement
to extend its term and to make the changes described hereinafter;
and

WHEREAS, Agreement provides that changes may be made in the
form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective December 1, 2006.
2. The term of this Agreement is hereby extended on a month-

to-month basis at County's sole discretion through
March 31, 2007.

3. Except for the changes set forth hereinabove, Agreement
shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County
of Los Angeles has caused this Amendment to be subscribed by its

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Director of Health Services and Concessionaire has caused this Amendment to be subscribed in its behalf by its duly authorized office, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Bruce A. Chernof, M.D.
Director and Chief Medical
Officer

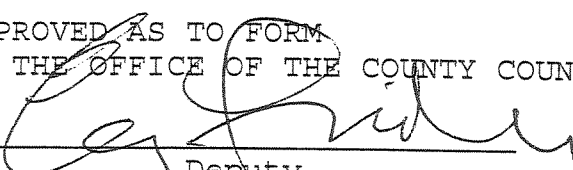
MORRISON MANAGEMENT SPECIALISTS,
INC., dba MORRISON HEALTH CARE, INC.
Concessionaire

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:

By  _____
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Cara O'Neill, Chief
Contracts and Grants Division

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10/20/06